FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, DC 20426

June 2, 2004

In Reply Refer To: Docket Nos. EL03-47-001 QF84-422-002 QF85-263-002

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Ladies and Gentlemen:

- 1. On March 10, 2004, Commission Trial Staff, Enron Wind LLC, Zond-PanAero Windsystem Partners I (ZP I), and Zond-PanAero Windsystem Partners II (ZP II) submitted a Consent Agreement as an offer of settlement that resolves all issues related to the qualifying facility status of ZP I's and ZP II's wind-powered generation facilities located near Palm Springs, California. No initial or reply comments were filed. On April 14, 2004, the presiding judge certified the settlement as uncontested.
- 2. The settlement is in the public interest and is hereby approved. The Commission's approval of the settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

Docket No. EL03-47-001, et al.

3. This Letter Order terminates Docket Nos. QF84-422-002 and QF85-263-002. By direction of the Commission.

Magalie R. Salas, Secretary.

cc: All Parties

California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102